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February 12, 1959

MEMORANDUM

SUBJECT: Discussion at the 396th Meeting
of the National Security Council,
Thursday, February 12, 1959

Present at the 396th NSC Meeting were the President of the United States, presiding; the Acting Secretary of State; the Secretary of Defense; and the Director, Office of Civil and Defense Mobilization. Also present were the Secretary of the Treasury; the Director, Bureau of the Budget; the Chairman, Atomic Energy Commission; and the Secretary of Commerce (participating in Item 1); the Chairman, Joint Chiefs of Staff; the Director of Central Intelligence; the Deputy Secretary of Defense; Assistant Secretaries of State Livingston T. Merchant and Gerard C. Smith; the Director, U.S. Information Agency; the Assistant to the President; Special Assistants to the President for National Security Affairs and for Science and Technology; the White House Staff Secretary; the Assistant White House Staff Secretary; the Executive Secretary, NSC; and the Deputy Executive Secretary, NSC.

There follows a summary of the discussion at the meeting and the main points taken.

1. U.S. POLICY TOWARD LATIN AMERICA
(NSC 5902; NSC 5613/1; OCB Report, November 23, 1958, on NSC 5613/1; NSC Action No. 1930; NIE 80/90-58)

Mr. Gray requested the Director of Central Intelligence to provide the Council now with that portion of his regular intelligence briefing which dealt with Latin America.

Mr. Allen Dulles in agreeing with this suggestion pointed out to the President that his run-down of developments in Latin America would naturally tend to be gloomy since he would be touching upon trouble spots rather than upon those areas of Latin America where conditions were favorable from the point of view of the United States.

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E.O. 12356, SEC. 3.4(d)	
Agency Case	<u>NR 89-720</u>
NLE Case	<u>NR 72-93 #21</u>
By	<u>DSH</u> NLE Date <u>12/6/89</u>

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Mr. Dulles concluded his intelligence briefing by providing the National Security Council with a summary of the developments of the recently concluded 21st Congress of the Communist Party of the Soviet Union.

The National Security Council:

Noted and discussed an oral briefing by the Director of Central Intelligence on the subject, with specific reference to Iran, Iraq and Kuwait, and a summary of the 21st Congress of the Communist Party of the Soviet Union.

3. U.S. POLICY TOWARD GERMANY
(NSC 5803; NSC Actions Nos. 1858 and 1932)

Mr. Gray introduced the subject by noting that continuing study of alternatives to existing policy on the unification of Germany was called for by NSC action. He expressed the hope that in the absence of Secretary Dulles, it would still be possible to have a report on Secretary Dulles's recent trip to London, Paris, and Bonn. He then called on Secretary Dillon who indicated that Assistant Secretary Merchant would provide the report.

Secretary Merchant stated that the purpose of Secretary Dulles's trip had been primarily to see whether our allies were thinking along the same lines as ourselves with respect to Berlin and the German problem generally. He added that Secretary Dulles had had long and intimate talks with the leaders of the U.K., France, and Germany during his visits to the capitals of these three countries. Secretary Dulles had expressed himself as completely satisfied with the results of his trip.

Secretary Merchant said that Secretary Dulles had found general agreement between himself and the leaders of the other three countries on proposals for dealing with the Soviets in the event of any attempt to impede allied military access to Berlin.

With regard to the problem of preparing for a possible meeting of the Foreign Ministers of the U.S., U.K., France and the Soviet Union, Secretary Dulles had encountered few differences of opinion and even these were relatively minor and relatively easily adjusted. An agreed reply to the Soviet note of January 10 was now being considered by the NATO Council. Secretary Merchant briefly characterized what this note would probably contain.

Thereafter Secretary Merchant described briefly the agreement reached by Secretary Dulles on procedural preparations for a Foreign Ministers' meeting. There had been discussion in all three capitals of the general problems of the Berlin situation, the unification of

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Germany, European security, and a German peace treaty. All had agreed that as the substantive basis for our position at such a meeting of Foreign Ministers, the President's proposal at the Geneva Conference of 1955 should be used. This did not mean that there could not be certain adjustments in form and manner of presentation which might make this basis more palatable to the Soviets and to public opinion. In all three capitals Secretary Dulles had encountered a willingness to examine all the elements of such a package proposal. There was also a willingness to try to make such a package more palatable from the point of view of public opinion. There was not much optimism, however, on its acceptability to the U.S.S.R.

Mr. Merchant then turned to the general atmosphere which the Secretary had encountered on his trip. In London he had found the Prime Minister and Mr. Lloyd much preoccupied with domestic politics. While their position on Berlin was firm, it was not as truculent on this subject as had been the attitude in Paris. The British were open-minded in the matter of the review and presentation of the package proposal at a Foreign Ministers' Conference.

In Paris Secretary Dulles had noticed a great change in De Gaulle since his last meeting with him in December 1958. De Gaulle appeared much more friendly and much more relaxed.

In Bonn Chancellor Adenauer had appeared somewhat more flexible in his views than in the past with particular respect to the German contribution to the package proposal.

In conclusion Secretary Merchant said that he felt it desirable for him to state that despite Secretary Dulles's physical discomfort, he had never seen him so effective and so forceful as he had been in these meetings in London, Paris, and Bonn. Mr. Merchant repeated that Secretary Dulles was extremely satisfied with the progress that had been made.

The National Security Council:

Noted an oral report by Assistant Secretary of State Merchant on the recent trip by the Secretary of State to London, Paris and Bonn, and his conversations with respect to the Berlin situation, German unification, European security and a German Peace Treaty.

S. Everett Gleason

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